THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) and (b) Yes, Sir. The United Planters' Association of Southern lndia had made representation in April, 1979 requesting that instructions may be issued to the incometax authorities not to levy income-tax or replanting subsidy paid to rubber growers.

(c) The matter was considered by the Central Board of Direct Taxes in consultation with the Ministry of Law and the Board were advised that the subsidy received for replantation was a rsveuue receipt in the case of the recipisnt and, therefore, if his income was liable to tax, the subsidy would be taxable in his hands.

Fraud on the State Bank of India

2393. SHRI O. J. JOSEPH: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to a news-item published in ihe Bombay edition of the "Indian Express" of 20th July, 1985 regarding a fraud of Rs. 5 crores on the State Bank of lndia; and

(b) if so, what are the details thereof and what is the extent of involvement of Canara Bank in this fraud and what steps are being taken by (Gvernment in the? matter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) Yes, Sir.

(b) M/s Intercorp Associates and M|s Shaktiman Enterprises were granted certain bills discounting limits at Bombay (Colaba) branch of Canara Bank and these bills were drawn on another sister concern 'Investments and Ventures Consolidated' at Bangalore. These were co-accepted by the Bangalore (Shivajinagar) branch of State Bank of India. The bills were discounted from June, 1984. When the bills matured in December, 1984, fresh bills were discounted and earlier bills were adjusted. In February, 1985 all bills were paid before maturity out of funds received from Ban-
| galore. At present there are no liabilities of the unit at Bombay (Colaba) branch
j of Canara Bank. However, according to the Reserve Bank of India, there had been serious irregularities in the sanction and operation of the accounts.

The transactions in the accounts of M)s Intercorp Associates and Ms Shaktiman Enterprises are linked to the fraud of Rs. 3.50 crores at the Bangalore (Shivajinagar) branch of State Bank of India. Mjs Intercorp Associates were having a current account at that branch also and the Branch Manager was purchasing cheques for large
I amounts in the accounts unauthorisedly.
j In February, 1985, he purchased seven cheques for an aggregate amount of Rs. 3.50 crores from the party drawn on Oriental Bank of Commerce, New Delhi, but the cheques were returned unpaid and the branch was sadled with dues amounting to Rs. 3.50 crores. Out of the proceeds of the above cheques purchased from the party, the liabilities fo Colaba (Bombay) branch of Canara Bank were cleared through the bank's Banglore (Langford Town) branch. At the end of May 1985, the outstandings in the party's account at State Bank of India, Bangalore (Shivajinagar) branch were Rs. 356.47 lakhs. The State Bank of India has placed the Manager and the Accountant of the branch under suspension. It has lodged an FIR with local police and has also filed a complaint with the Central Bureau of Investigation. Canara Bank has advised t'ne Reserve Bank of India that it does not find any reason to examine the staff aspect tO fix responsibility for the transactions a» I there has been no lapse and their advan-! ces stand fully recovered.

Survey to find out bauxite deposits in Visakhapatnam district in Andhra Pradesh^

2394. SHRI ADINARAYANA REDDY: Will the Minister of STEEL, MINES! AND COAL be pleased to state:

(a) whether any survey has been conducted recently to find out bauxite deposits in Visakhapatnam District in An-
I dhra Pradesh; and

| (b) if so, with what results?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE): (a) Yes, Sir.

(b) As a result of detailed exploration for bauxite carried out in Visakhapatnam District of Andhra Pradesh jointly by Geological Survey of India and Mineral Exploration Corporation Limited, total reserves of 597.65 million tonnes of bauxite ot" metallurgical grade have beem estimated so far. Mapping work is still continuing. The expectation is that more sizeable reserves of bauxite will be located in this area.

Supreme Court judgement on evasion of taxes

2395. SKRI RAOOF VALIULLAH: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware of a recent judgement of the Supreme Court indicating those who avoid tax;

(b) whether Government intend to bring forward any legislation to make tax 'avoidance' a prima facie offence as distinct from lawg to prevent tax 'evasion'; and

(c) if so, by when a decision is likely to be taken in the matter?

THI: MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRl JANARDHAN POOJARI): (a) Yes, Sir.

(b) and (c). The matter is under examination. No decision has yet been taken. Considering the wide implications of the matter it is difficult to indicate the time frame at this stage.

Establishment of National Aluminium Company project in Damonjodi

2396. SHRI GAYA CHAND BHUYAN; Will the Minister of STEEL MINES AND COAL be pleased to state:

(a) what is rhe number of persons who have been displaced due to the establishment of NALCO project in Damonjodi and how many out of them have been employed in the NALCO project; and

(b) what is the number of persons from Scheduled Castes|Scheduled Tribes out of the total number of persons employed in these above project;

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE): (a) In Damonjodi Sector of Nalco Project, 581 families have been identified who will be displaced. 211 families have been displaced so far, 96 have been given direct employment and 44 are under training in the Project.

(b) Out °f a total number of 446 executives and non-executives. 137 are Scheduled Castes/Scheduled Tribes. Similarly, out of a total number of 90 trainees, 42 are Scheduled Castes/Scheduled Tribes.

Representation regarding transfer of employees of the Directorate of Anti-Evasion outside Delhi

2397. SHRI PRITHIBI MAJHI: Will the Minister of FINANCE be pleased to state.

(a) whether Government had received any representation from the working wives of the employees in the Directorate of Anti Evasion who have been posted out side Delhi; and

(b) if so, what action Government have taken thereon so as to post them back to Delhi in the light of the Circular No. 3-265/75-WW dated the 28th February', 1976 issued by the Department of Social Welfare in this regard.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI); (a) Yes, Sir representations have been received from the working wives of tv/o Intelligence Officers of the Directorate of Anti Evasion, who have been posted outside Delhi.

(a) Intelligence Officers in the Directorate of Anti Evasion are liable to be